

## **Average monthly pension contributions increase by 30% since 2010**

### **Significant variations across counties and genders**

### **Still not enough women have pensions (only 30% versus 70% for men)**

**Tuesday 15 September, 2015** – Irish Life, Ireland's largest life and pension company, has today published a review of its data for its personal pension customers. This shows that the average pension contribution during the first half of this year was €562 per month, compared to €372 per month in 2010. While in the last five years alone, the average contribution on new personal pension plans have increased by over 30%.

While this is a significant increase and a positive indication in terms of saving for retirement, it can largely be explained by the fact that during the economic downturn many people in their 30s and 40s put off starting to save for a pension until later in life. This also meant that those who were starting late, needed to put more in as they have less time to build a comfortable retirement fund.

As market leader, Irish Life is well placed to provide an insight into the behaviour of Irish pension customers. An analysis of its book of personal pension customers has revealed significant differences between male and female customers and in terms of contributions currently being made across different areas, for example:

- Women nationally, represent just 30% of Irish Life pension customers. Waterford City has the highest proportion of female pension contributors where women account for 37% of customers
- Dun Laoghaire-Rathdown residents have the highest pension contribution figures, saving almost €100 a month more than the national average for Irish Life's personal pensions of €343.
- Sligo residents have the lowest pension contributions, saving €120 a month less than the national average.
- The highest monthly pension savings overall (for men or women in any county) are by women in Cork at €518 per month. The second highest county for women is Waterford at €427 and Galway at €409.
- For men the highest pension contributors are in Dublin at €437 per month, followed by Galway at €387 and Limerick at €363 a month.

***See attached breakdown for full details***

Gerry Hassett, Managing Director Irish Life Retail, said that 2015 could be the first year since the downturn that that we'll see a fall in the average age of people starting pensions.

*"In 2008, the average age of a new pension customer was 35. This increased to 42 years old during the recession, as Irish people in their 30s focussed on essential financial payments such as mortgages and other shorter term commitments. However, the average age stopped rising last year and it looks like it will fall to 41 this year. We have also seen a significant increase in the overall market for personal pensions with sales up by 18% for the first half of 2015," he said.*

In spite of these positives, research conducted for Irish Life by Coyne market research last year highlighted that almost one in two working adults (49%) still do not have a private pension, with this figure increasing to 54% for 24-35 year olds. 50% of people without a pension cite 'affordability' as the main reason for not having a pension, and almost a fifth of people think they are too young to start a pension.

Commenting on these findings Gerry Hassett, Managing Director, Irish Life Retail said: *"Although we are encouraged by the market changes in 2015, we've also seen from the recent ESRI study that there's still a large number of people, as many as two-thirds of those over 50 years, who still don't understand how pensions work. Irish Life MAPS, our Multi-Asset Portfolio funds makes investing in your pension more accessible for customers, wherever you are in life. With our easy to understand range of options and useful tools and helpful information on our website, we can help guide you to making sound financial decisions for your retirement".*

Irish Life is the largest life and pension company based on market share 2014.

**Sources:** Analysis Irish Life's inforce personal pension plans; Omnibus research conducted by Coyne Market Research (September 2014)

For more information on Irish Life MAPS visit: [www.irishlife.ie](http://www.irishlife.ie)

Irish Life Assurance plc is regulated by the Central Bank of Ireland.

## **ENDS**

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**About Irish Life:**

Established in 1939, Irish Life is Ireland's leading life and pension company. Since July 2013 Irish Life has been part of the Great-West Lifeco group of companies, one of the world's leading life assurance organisations.

Irish Life is committed to delivering innovative products backed by the highest standards of customer service and, as part of Great-West, has access to experience and expertise on a global scale, allowing the company to continuously enhance its leading range of products and services.

**About Irish Life MAPS (Multi-Asset-Portfolio funds)**

Irish Life MAPS is a range of five investment funds on our pensions plans that suit every type of investor from the careful to the very adventurous. They're managed by Irish Life's investment managers who look after over €50 billion in investments for thousands of people around Ireland. As well as being recognised on the international stage for their track record and expertise by being the only winners of two investment awards at the 2014 European Pension Awards, Irish Life's investment managers were also chosen as the pension investment manager of the year for the second year running at the 2014 Irish Pension Awards.

Warning: If you invest in these funds you may lose some or all of the money you invest.

Warning: The value of your investment may go down as well as up.

Warning: These funds may be affected by changes in currency exchange rates